

INDUSTRIAL POTENTIAL IN CLINTON HILL

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CLINTON HILL NEIGHBORHOOD COUNCIL

Newark 8

122 Chadwick Avenue

New Jersey

June 8, 1962

To the People and Public Officials
City of Newark, New Jersey

In the spring of 1961 the Clinton Hill Neighborhood Council became aware of the prospect that a 74-block area in Clinton Hill and the Central Ward, where 20,000 people lived, faced eventual clearance for redevelopment as a light industrial project. Our immediate reaction was despair. All of the officials arms of city government seemed committed to this project. Influential quasi-public agencies and one of the major daily newspapers also backed it.

Yet the local community had never been asked for its opinion; nor had any studies of the feasibility of the project or of possible alternate re-uses been made. After our organization alerted the public through press releases, meetings, and leaflets, wide opposition to the light industrial project was voiced at last June's "blight" hearings before the Central Planning Board and last November's City Council hearing. Nevertheless, these bodies voted to declare the area "blighted" for light industrial purposes.

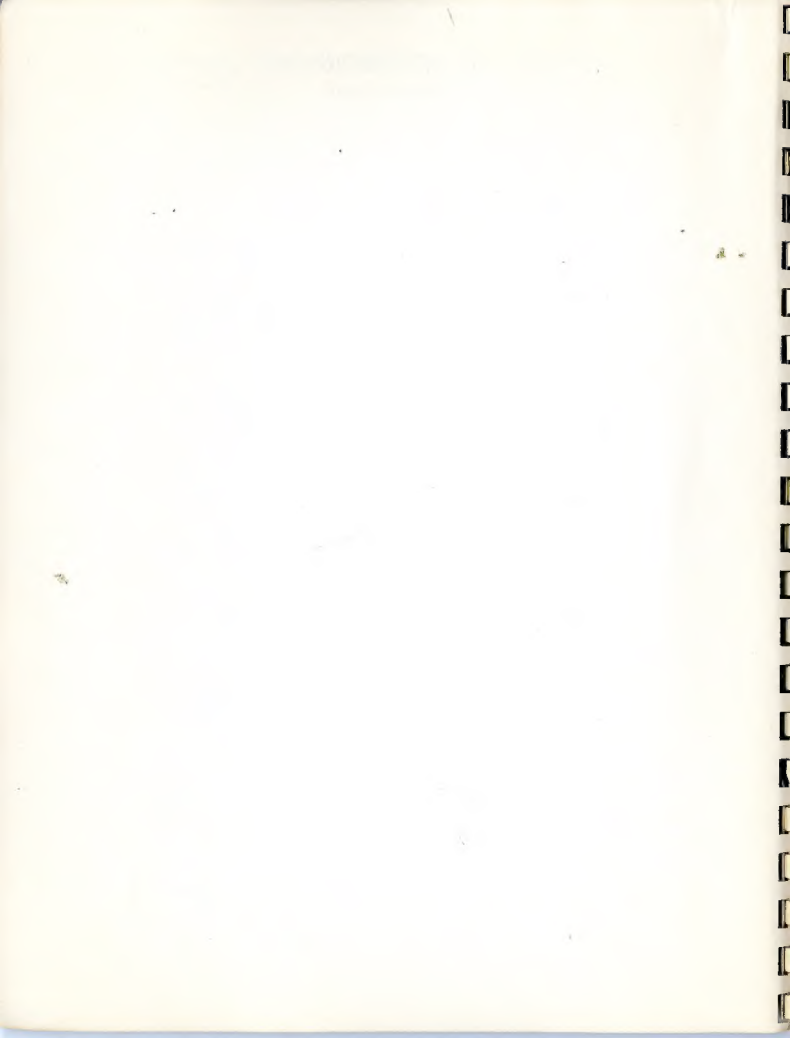
In the course of this campaign to "Save Our Homes," we became aware of legal and technical resources hitherto unused by any person or group in the city. Last December, seven Clinton Hill residents filed suit in Superior Court to upset the "blight" declaration. Then, after hearing of the independent planning study sponsored by the Cooper Square Community Development of Manhattan, we decided to engage our own expert planner to survey the feasibility of developing the 74 blocks for light industry.

The author of the following study, Mr. Walter Thabit, was hired. Mr. Thabit, who was responsible for the Cooper Square alternate plan, is known in planning circles as an author and a lecturer. He has conducted housing studies for the New Jersey Department of Conservation and Economic Development.

This report is offered to you, the citizens and public officials of Newark, so that you may have the benefit of an independent expert appraisal of the Clinton Hill light industrial project. It was made possible by the voluntary contributions of Clinton Hill residents and business, whose assistance we should here like to gratefully acknowledge.

Sincerely,
Bertha L. Griffin
Bertha L. Griffin
Stanley B. Winters
Stanley B. Winters

BLG: SEW: ja



INDUSTRIAL POTENTIAL IN CLINTON HILL

A Study of the Feasibility of the Clinton Hill Light Industrial Project, NJ-R32.

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INTRODUCTION

The proposed Clinton Hill light industrial park would displace some 17,000 people, two-thirds of whom are non-white. The north-south expressway along the Eastern boundary of the site will displace some 7,500 additional families. Between these two projects alone, some 15 percent of Newark's total non-white population will be displaced, or roughly two-thirds of the expected displacement of non-whites due to renewal programs in the next decade.

Since this displacement is not for housing but for non-residential uses, it must be pitilessly examined before approval. The effects of such displacement will be felt throughout Newark in terms of further creation of all non-white areas and in terms of further deterioration of conditions under which non-whites live. And since discrimination in housing outside the community is so evident, it is senseless to project any major penetration of non-whites to surrounding cities and towns.

It is not enough to promise decent relocation or even to promise to build middle income housing for non-white occupancy. Neither step is likely to offset the effects of the loss of housing stock for the non-white population. A rational companion proposal to the displacement would involve building some 10,000 units of low- and moderate-rental housing on vacant land - which would be open to Negroes and Puerto Ricans as well as whites. This would offset the loss of housing due to demolition. There is at present no such program for housing on vacant land, no assurance that segregation would not be practiced if such a program were initiated, and therefore no assurance that the probable effects of the displacement would not take place as described above.

It is, therefore, legitimate to ask whether these improvements are necessary or desirable. Does the Newark situation demand the construction of a north-south freeway, for example? Is it impossible to modernize signal systems, to make modifications in street alignments, to provide through routes by modest street openings where necessary, to use one-way routes on two streets? Is the expressway really necessary?

Similarly, does the Newark situation demand that the proposed light industrial park be developed? Its supporters, including sev-

eral unions in the construction and skill trades, the Urban League, the business organizations, and the Central Planning Board and other city officials, say "Yes." They favor the plan for various reasons, among them being the promise of more jobs, increased taxes, more modern industrial facilities, more stable economic base, and others.

This report analyzes the major arguments for the Clinton Hill proposal, and also evaluates the feasibility of the light industrial park itself. Throughout the study, the emphasis has been on what would produce the greatest benefits for the city of Newark, not only for its economic base and its industrial development, but for its people and general welfare.

SUMMARY OF FINDINGS

The proposal for a light industrial project in the Clinton Hill area is unjustified on the basis of the information available. It proposes to use 240 acres of land, half of which is in residential or residentially oriented use at present to serve a variety of industrial needs, most of which the Clinton Hill area is not fitted to supply. Basically, these needs include the attraction of new industry and the provision of replacement sites for existing industry to be displaced by renewal. For the former, vacant land in the Meadowlands is a far more attractive theater of operations; for the latter, Clinton Hill is only one of several sites that should be used. The legitimate demand for industrial land in the Clinton Hill area is so low that the allocation of more than a third of the area for industrial purposes seems highly questionable.

In coming to this conclusion, a number of questions have been studied including the relation between new jobs and unemployment, the need for more industry and the renewal of obsolete industry, an appraisal of the project's feasibility as currently proposed, and a graphic analysis of the site itself. None of these studies revealed any great advantages to the proposed light industrial project - as the specific points below will demonstrate:

Jobs and Unemployment

Unemployment is not directly related to the existence of available jobs. While some 14,500 Newarkers were out of work in 1960, almost 200,000 people from outside Newark come into the city to work at a job. Some 50,000 Newarkers go out of the city to a job, demonstrating that unemployment is not directly associated with the presence or absence of jobs in Newark itself.

New jobs will not effectively or necessarily reduce unemployment. Some new jobs merely add to seasonal and cyclical unemployment while others show an increasing tendency to require higher skills. The declining number of low-wage, stable industries which do use unskilled and semi-skilled workers also encourage secondary wage-earners to enter the job market, pushing unemployment totals up.

Unemployment is more directly related to discrimination in employment, to the lack of skills in the labor force, and to the grow-

ing percentage of untrained young people actively seeking work. Non-white unemployment is twice that of whites, manufacturing jobs are being replaced with non-manufacturing jobs, the training of young people is inadequate for entry into employment, and stable industries are being replaced with seasonal and cyclic industries.

Industrial Development and Renewal

If Newark's 450 acres of obsolete and deteriorated industrial land are replaced with modern facilities employing the same number of people, approximately 1,100 acres will be required. Industry to be displaced by renewal programs will require an additional 400 acres of land, giving a total requirement of 1,500 acres for the future.

To meet this need, the city has 1,800 acres of industrial vacant land suitable for industry in the Meadowlands, and will obtain an additional 450 acres of land in existing industrial districts being renewed. This adds up to 2,250 acres of land, some 750 acres more than is needed in the foreseeable future. There is no need for adding residential land to the available industrial supply.

An industrial park in the Meadowlands can be acquired more easily, prepared for use more cheaply, yield a wider variety of sites at any particular time, and can be made usable in less time than a site like Clinton Hill. Vacant land will therefore prove more attractive to outside industries looking for new locations, and this reduces the need for industrial area in Clinton Hill.

Since the renewal program will displace industrial uses over a long period, it makes sense to prepare relocation sites for displaced industry in other sites as well as Clinton Hill. At least two other sites have been proposed by the Planning Board for industrial renewal, and the use of these and others would further reduce the need for industrial area in Clinton Hill.

Critique of the Clinton Hill Proposal

What started out as a program to aid General Electric, Fischer Baking Company, and a few other establishments to get needed parking and loading space has grown into a massive project without basic justification. The present site was delineated more in response to

outdated federal regulations, the desires of prospective sponsors, and a need for more study funds than to any objective reality.

Consistent with its lack of attractiveness as a site for new industry, there has been relatively little demand for industrial land in the Clinton Hill area. Current expressions of interest in industrial development in the area reveals a demand for less than 10 acres for firms outside the site area, and no more than 20 additional acres for expansion of on-site industry.

The elimination of junk yards, scrap metal yards, auto wrecking and storage yards, coal pockets and other uses incompatible with either a light industrial district or a residential area, would make available more space than is needed to satisfy current demands for expansion and new industry.

If the current proposal of the Belmont Renewal Corporation is accepted, existing residential and industrial uses will be at the mercy of the sponsor. They will be forced to negotiate with Belmont for the right to remain; land will go to the highest bidder. A public housing project, public swimming pool, and school will also be demolished.

The Belmont Renewal Corporation proposal does not represent any assurance that the project will be developed industrially as proposed. If legitimate restrictions are put on the development, it is possible that the sponsor will withdraw or require escape clauses in his contract to permit a change in use from industrial to residential and commercial at some future time.

The five-stage development plan, since it permits only a few small sites to be made available at any one time, is obviously impractical for the purpose of attracting new industry. Development of the first stage of the Clinton Hill site would make only 25 acres of industrial land available for new or displaced industry, extremely limiting the choice of space available to prospective users.

Graphic Analysis of the Site

Graphic analysis of the site reveals that a small industrial district of from 50 to 70 acres could logically be established in the vicinity of the mid-point of Jeliff and Peshine Avenues, Clinton Avenue, Belmont Avenue, and Hawthorne Avenue, depending on the north-south expressway decision, and could possibly be extended to

Watson and to Peshine depending on the location of Route 78 and the industrial design problems along Jeliff-Peshine.

It is questionable whether the few industrial uses north of Clinton Avenue can be used as the basis for a second small industrial district, or whether the area should be made predominantly residential. Further study is needed on this point. If the area is made residential, General Electric and others needing space for expansion should receive it, and be retained as scattered industrial uses.

At least two-thirds of the residential area south of Clinton Avenue and one-third of the area north of Clinton Avenue can be rehabilitated, while the rest should be demolished and replaced with new housing. This should be a gradual process, particularly in the area north of Avon where a long-standing Negro neighborhood might be adversely affected by a massive clearance program. The residential renewal of the area should be integrated with the industrial development so as to minimize relocation hardships.

RECOMMENDATIONS

As a result of this study, a number of recommendations emerge, not only with respect to the Clinton Hill area itself, but with respect to the industrial development and renewal of Newark generally. Some of these recommendations emerge directly from the data itself, while others emerge from the implications of actions and programs. In general, the recommendations are oriented toward improving the climate within which industrial renewal is undertaken. This includes the more efficient and successful attraction of new industry, steps to reduce unemployment and stabilize the tax base and earning power of residents, adequate preliminary planning for industrial renewal, and finally, the safeguarding of the rights and welfare of the people who might be displaced by such operations.

1. Steps should be taken to reduce racial discrimination in all employment, but particularly in non-manufacturing categories and in the higher technical and executive levels in all fields where racial discrimination is still high.

2. An organized program should be established to train and retrain workers who do not possess employable skills or whose skills will shortly become obsolete. This program should be a joint endeavor of the city, the unions and the business community.

3. Newark should reject low-wage and other industries with cyclic and seasonal employment patterns. It should emphasize industries employing higher skills and paying higher wages in its industrial promotion efforts.

4. The city should immediately move to develop an industrial park on the Pennsylvania Railroad's Doremus Avenue or similar site in cooperation with the railroad and the business community. If necessary, city and state pressure should be brought to bear on the railroads to assure their cooperation.

5. The city should further carefully study its competitive situation, and develop a policy on subsidies and aids which will attract industry on a competitive basis with the suburbs and other cities.

6. The blight designation on the Clinton Hill area should be removed until a study of industrial space needs has been completed for the city of Newark, and a determination of priorities for industrial development and renewal made accordingly.

7. No subsequent proposal for designation of the Clinton Hill area should be made until a community renewal study showing the best arrangement of land uses for the area has been completed.

8. No subsequent proposal for designation of the Clinton Hill area should be made before the north-south expressway and Route 78 proposals have been fully considered and final decisions made.

9. No industrial renewal area should be designated and no sponsor should be chosen until the feasibility of such a project has been assured and the rights of existing industry to remain have been fully protected by prior commitments.

10. No part of the Clinton Hill or other area in the city of Newark should be designated as blighted unless the implementation of the plan for that area within a five year period is assured.

PART I

JOBS AND UNEMPLOYMENT

Unions in the skill and construction trades and even the Urban League have favored the plan to transform Clinton Hill into a light industrial area largely because of its promise of new jobs - some 15,000 of them. Aside from the fact that the area could hold only about half that number at modern standards, this argument must be taken seriously. The skill trades unions talk of falling memberships, the construction trades of high unemployment, and the Urban League of more jobs for non-whites. They are rightfully concerned with the high unemployment level.

"Whatever brings new jobs into the area," these proponents say, "we're for." They feel that unemployment is a more basic problem than housing, and will not be too disturbed by the displacement of 6,000 families so long as relocation is handled decently.

This argument is not based on simple job totals; jobs have more than kept pace with population. While Newark's population fell from 438,000 to 403,000 between 1950 and 1960, the job total has remained at a fairly stable level. The proponents of the new job thesis, however, point to the decline in manufacturing jobs as the villain, and they cling to the belief that the light industrial project will bring them in. They believe that Newark should take the lead in providing those jobs and look toward the light industrial park as the way to do it.

Unfortunately, the light industrial proposal cannot do the job. As is shown below, unemployment is due more to the lack of training and the persistence of racial discrimination than it is to a lack of jobs. The evidence indicates that Newark would do well to be more selective of the industries it permits to locate within the city, moreover, since the low-wage and cyclical industries tend to reduce the incomes and increase the unemployment of its residents.

The Causes of Unemployment

There have been severe losses in manufacturing jobs over the past decade, especially in the unskilled and semi-skilled categories.

Westinghouse Meter is reported to have cut its work force from 2,000 to 1,300 men; Federal Telephone in Clifton went from 4,000 to 1,600; Monroe Calculator, which was absorbed by Litton Industries, reduced its 1,200 man force to 300; Keerfott Engineering closed its 1,000 man plant altogether. These are only some of the noteworthy reductions in employment in some of the largest plants in the Newark area.

This does not mean that total employment has suffered. As shown in the following table, the losses in manufacturing have been made up by gains in non-manufacturing fields, primarily in wholesale and retail trade and in services. Not shown in the table is also a sizable increase in government employment.

EMPLOYMENT IN NEWARK BY MAJOR INDUSTRY GROUP
SEPTEMBER OF SELECTED YEARS, 1947 - 1957

Industry	1947	1949	1951	1953	1955	1957
Manufacturing	93,460	86,593	96,933	98,127	87,610	88,251
Whis. & Ret. Tr.	44,523	43,468	43,771	43,836	45,327	48,058
Transportation	9,068	10,055	11,347	10,917	10,241	10,763
Comm. & Util.	10,136	9,161	9,354	10,635	10,253	10,531
Services	14,106	14,601	15,490	16,753	16,854	18,835
Fin. Ins. Rl. Est.	24,144	24,659	22,958	23,012	23,268	24,446
Construction	7,035	6,122	7,504	6,112	5,335	6,245
Total	202,472	194,859	207,357	209,392	198,888	207,099

Note: Data are for workers covered by unemployment insurance, and exclude those employed in forms with less than four workers, in non-profit organizations, and in government.

Source: New Jersey Department of Labor and Industry. Taken from Second Interim Report of the Urban Renewal Demonstration Grant Study.

Despite relative stability in total employment, however, unemployment in Newark and in the Newark Labor Market Area

(including Essex, Morris, and Union counties) is high. In Newark, according to the 1960 Census, unemployment reaches 8 percent. In the Newark Labor Market Area, unemployment totalled 7.3 percent in January 1962, serious enough to qualify as a depressed area.

This high rate of unemployment is related to several significant changes in the nature of employment and in the characteristics of the labor force during the past decade. As has already been noted, manufacturing has declined while non-manufacturing employment has risen. Further, according to a report on the Economic Development of the Greater Newark Area, Recent Trends and Prospects, published in 1959, still further reduction in the manufacturing segment is to be expected. Arthur J. O'Neal, in a Rutgers publication, Post-War Trends in Employment and Earnings, 1960, makes the same point, and goes on to demonstrate that both employment and unemployment have been rising more rapidly in New Jersey than in the country as a whole. Significantly enough, the employment rise shows an affinity for the suburban counties, while the unemployment rise is more pronounced in the cities.

What is actually happening and will continue to happen is made more clear by still another set of statistics from a publication of the Department of Labor and Industry on N. J. Manpower Projections, 1960 - 1970, Research Series 4. This document sees government and service trades growing another 47 percent, construction, wholesale and retail trade, finance, insurance and real estate rising by 30 to 35 percent. By contrast, manufacturing and transportation will rise by only 14 percent. In terms of work categories, the coming changes are still more meaningful. There will be a rise in professional employment of 60 percent, and in managerial, clerical, sales and service of 25-35 percent. Again by contrast, craftsmen and operators will rise only by 10 and 17 percent while laborers will actually decline by some 4 percent.

What has been happening and will continue to happen in the Newark area is a rise in the non-manufacturing segment of the economy which offsets the decline in manufacturing. Translated into jobs, there is a rise in white-collar and professional and managerial work, and a decline in unskilled and semi-skilled work.

Significantly enough, it is the fields showing the declines and the smallest tendencies to rise that show the highest unemployment totals. In the January 1962 issue of Covered Employment Trends published by the State Division of Employment Security, the occupational composition of those seeking work is given as follows:

"Noticeable concentrations include construction craftsmen, semi-skilled machine operators, apparel workers, salespersons, packers, truckers, warehousemen, clerical and various service workers."

The 1960 Census figures throw further light on the unemployed. They reveal that the highest rate among the unemployed is among non-white women - 16.5 percent. Non-white women are predominantly employed as operatives, in service positions, and as household help, fully 60 percent being employed in these low-paying, often cyclical positions. It is also worth noting that the percentage of non-white women in the labor force is 10 percent greater than that for white women (the figures for non-white and white men fall within one percent of each other). Increased participation by non-white women reflects the greater need for income in the non-white home - largely due to lower earnings and fewer opportunities. When unemployment is on the rise, the number of women actively seeking work also rises - pushing unemployment totals still higher.

In The Changing Woman Worker, 1940 - 1958, published by Rutgers University in 1959, Georgina M. Smith found that women workers had increased from 30 to 33 percent of the total. A continuing study of the woman worker, assisted by funds from the Ford Foundation, has just concluded that the percentage will continue to rise to 36 percent in the future.

Along with the increase in the percentage of women working has been an increase in seasonal and cyclical industries which employ women. Growth in apparel, cosmetics, and drugs among other industries with intermittent periods of unemployment has been rapid raising the chronic unemployment level.

The unemployment rate for non-white men is also high - 9.7 percent compared with 5.8 percent for whites. For non-white men, moreover, the same low-level jobs form the base of employment. Non-whites hold half as many jobs in the professional, technical, managerial, clerical and kindred occupations as do whites, and much more than their proportionate share of operative, service worker and laborer jobs.

Male unemployment has been mainly due to the loss of jobs in auto assembly, machinery, shipbuilding, and other categories which used large amounts of unskilled and semi-skilled labor, jobs that have not been replaced - and are not likely to be replaced - with similar ones. As was proved in a study of Mack Company employees,

those with real skills such as a machinist or tool-and-die maker had no trouble in getting new jobs, nor was age an impediment.

There is yet another element to the picture of unemployed, and that is the large number of unemployed youth. A recently completed random sample of 800 young people between the ages of 16 and 20 seeking employment showed that 55 percent had not completed high school, that only 11.9 percent had vocational training, and that only 38.5 percent had any previous work experience. Two-thirds of the group needed testing and counseling. About half were female, and 71 percent came from Newark.

Further information on the problems of youth was revealed in the N. J. Manpower Projections, 1960 - 1970, referred to earlier. During the 1950's, youths reaching the age of 18 ranged from 58,000 to 75,000 per year. During the 1960's, it is expected that this total will rise to 85,000 to 118,000 per year. This means more young workers in the future, the study indicating that workers under 25 years of age will comprise 40 percent of the labor force in 1970.

When these various figures are analyzed, it appears that unemployment is more related to discrimination in employment and to lack of skills than it is to a lack of jobs. Non-whites are harder hit than whites, those without skills are hit harder than those with skills, and unemployment among youth is a special problem.

By contrast with unemployment figures, there are plenty of jobs available. The January 1962 issue of Covered Employment Trends, referred to earlier, lists the following "hard-to-fill" jobs:

"Among such jobs at the professional level are electrical engineer, auditor, sales manager, physicist, aerodynamicist, chemist, physical metallurgist, economist, psychiatric social worker, programmer, and nurse. The highly skilled section includes television serviceman, oil burner installation and serviceman, tool-and-die maker, machinist, spinner, cabinetmaker, diesel mechanic, tailor, nurseryman, and baker."

Further indication of the availability of jobs, if needed, is the fact that 200,000 people come into Newark every day to work. By contrast, only 50,000 Newarkers go outside the city to a job. There are more than enough jobs in Newark to satisfy the needs of Newark citizens.

It becomes obvious that it is not merely a lack of jobs per se that is the problem. The figures all point to two related problems: first, to the existence of racial discrimination in employment, and second, to the lack of skills among the unemployed.

Discrimination in Employment

Discrimination in employment is obvious in many segments of the economy. It is far more pronounced in non-manufacturing than in the manufacturing lines, and with the downward trend in manufacturing and the upward trend in non-manufacturing, it is easy to see how the unemployment situation for non-whites can get steadily worse.

Discrimination in non-manufacturing is evident everywhere. In the report by Rapkin and the Griers on Group Relations in Newark - 1957, at least partial discrimination is still practiced in manufacturing at higher levels, in apprenticeships, construction, the brewery industry, public utilities especially in the "front office," railroads, white-collar work in general, insurance companies, banks, department stores, and smaller specialty shops. While the report was not statistical, having been compiled on the basis of interviews, there is sufficient data in the 1960 Census to corroborate the general findings of continued discrimination in hiring practices.

The report not only refers to the lack of qualifications of Negroes for higher paid jobs, but throws some statistical light on the extent of discrimination:

"...there are today many highly desirable openings available to Negroes for which qualified persons cannot be found; while at the same time, there are many Negro applicants who can obtain only the less desirable jobs. The Essex County Urban League reports that during the two-year period 1955-56 it placed nearly 300 job applicants; however, there were nearly 1,700 applicants who could not be placed, while more than 150 job orders could not be filled. The Urban League feels that its biggest problem in the employment field now is that of developing qualified applicants to fill above average positions."

The Rapkin-Griers report goes on to say that "...the above average Negro today experiences little difficulty in job placement;

but...the Negro of average ability continues to experience discrimination in hiring as compared to the white applicant of equivalent qualifications."

It is not too difficult to come to the conclusion that many of the white-collar jobs now in demand could be filled by Negroes if discrimination were further reduced. And it is undoubtedly also true that if discrimination were further reduced, the impetus to finish school, to undergo further training, to get the needed skills for higher paying jobs would certainly be greater. Unemployment of Newark's non-whites could certainly be cut down to the white level within a decade - if discrimination were to disappear.

Training and Retraining

The elimination of discrimination would by no means solve the unemployment problem itself. There are more unemployed whites than non-whites, and while a substantial proportion of the whites may be Puerto Rican, there are still several thousand whites who are unemployed. The lack of skills exists in white workers as it does among Negroes, and it poses a problem of growing proportions. Youth is one aspect of the problem, and retraining of older workers is another.

The random sample of youth referred to earlier was undertaken for the Youth Career Development Program, a pilot project for the training and employment of youth in the Newark area, supported by a federal grant to the state of some \$200,000. This program is aimed at eliminating school dropouts through a study of their characteristics, learning what kinds of programs will reduce the number of dropouts, and the establishment of office and field counsellors to help young people seeking work.

The retraining of the "factory reject" seems simple enough. In theory, a production worker who is laid off goes to school and learns to become an IBM programmer, an offset pressman, an automatic equipment operator, or a typist. Under current conditions however, this retraining is a matter of individual initiative. Unions do encourage their members to go to school and increase their skill levels or learn new ones, and in a few cases management holds in-service training courses, subsidizes study, and helps its employees to train for and find new jobs when reducing work forces. In the main, however, there is no organized system for letting employees know when their particular skills will shortly

become surplus, and no organized program for retraining those with obsolete or no skills. Industry, the unions, the city educational system, and the city administration all share a responsibility for the establishment of programs which will keep labor skills in line with demands.

While more jobs for semi-skilled and unskilled workers might help to ease an immediate employment problem, it can also help to aggravate it. There are those who would like to attract "40 or 50 more apparel firms" to Newark in order to provide more work for women apparel workers. This is a negative approach to the problem. It accepts discrimination as inevitable or desirable, and merely adds to the seasonal unemployment totals. It is the kind of industry which keeps total family income down, making it impossible for non-whites to afford better housing. At present, the higher paid jobs are filled by people living outside Newark who derive benefits from city services but who contribute nothing to their costs. The costs of training and retraining are slight compared with the increased revenues to the city from better jobs and increased wages. The same is true of other seasonal and cyclically oriented industries.

A second point to be kept in mind is that new industry in general is not likely to want the unemployed classes any more than they are needed now. New industry will require new and higher skills, and will not contribute materially to a reduction of unemployment.

At least partial evidence of this is to be had from an analysis of the employment characteristics of 10 of the largest plants to move into the area during the last decade. They include firms engaged in electrical equipment and instruments, firms in fine chemicals, perfumes, and aromatic chemicals, all of which are cyclic. They also include one firm in metals processing including the drawing of wire, which might employ some semi-skilled labor as well as one screw machine products company. Others are in metallurgical research, chemical and catalytic research, which employ higher skills predominantly. Obviously, all types of industry are involved, some cyclically oriented, some using operatives, and some using highly skilled employees.

In sum, it seems clear that new industry per se will not effectively reduce technological unemployment. On the other hand, it also appears that a reduction in racial discrimination and the initiation of widespread and organized training and retraining will. These appear to be the major factors relevant to unemployment; they will become increasingly relevant to Newark's economy and demand immediate and continuing attention.

Unemployment and Industrial Development

The foregoing discussion of unemployment has at least one major implication for Newark's industrial development program. While it is true that employment opportunities are not limited to industries located in Newark, it is also true that people prefer to work closer to home. If, therefore, it is considered desirable to maximize earnings for Newark residents and to minimize travel time, the city should not only reduce discrimination and expand training programs, but it should take the further step of being selective in the industries it attracts to a Newark location.

Newark should attempt to attract not the low-wage and cyclical industries, but the stable and high-paying industries. It should look for industries that demand professional and technical level skills as a way of giving their own residents an advantage in finding such jobs and in minimizing their journey to work. Assuming an effective training and retraining effort, the simple proximity of a qualified work force among Negroes, for example, will help to reduce discrimination in employment.

There has been a tendency to place too much emphasis on increases in tax rolls and assessed valuations, and not enough on the indirect costs of lower wages as a result of racial discrimination or the lack of skills. If the whole series of related costs were measured, it would undoubtedly become clear that a more selective policy of industrial development would pay higher dividends than an indiscriminate acceptance of all types.



POTENTIAL INDUSTRIAL PARK



SOME POTENTIAL RENEWAL SITES



CLINTON HILL

ALTERNATE SITES FOR INDUSTRY

PART II

INDUSTRIAL DEVELOPMENT AND RENEWAL

The city's two major objectives in its attempt to maintain its industrial strength are the attraction of new industry and the renewal of its old industrial area. These objectives work hand in glove; the satisfaction of space requirements requires the development of vacant lands for both new and displaced establishments, and the replacement of older facilities by modern plants. The gradual development of an industrial structure that is convenient, efficient, and structurally sound cannot be accomplished without coordinated effort in both directions.

Vacant land development is mandatory to meet suburban and other competition. A suburban location has many of the advantages of a Newark location without its extra costs. It can attract employees from Newark and elsewhere in the labor market area, its land cost is low enough to insure efficient operational freedom as well as room for future expansion, and its tax burden and building code requirements will be significantly lower. In addition to suburban competition, of course, there is the competition from other nearby cities. Jersey City, for example, is in the process of developing the Black Tom and Caven Point sites for industrial purposes.

To get more industry, Newark will have to meet the competition. It will have to prepare large vacant sites, give tax abatements, offer land at low or no cost, and perhaps give other concessions. And since it is losing industry at a faster rate than it is gaining it, it makes more sense to spur development on the land which can most rapidly be prepared for industrial purposes.

This is not to underestimate the validity of industrial renewal, nor the need for equally speedy action on this front. Older industrial areas must be reorganized and restructured, both to permit the construction of new and modern facilities and to eliminate the diseconomies of obsolete and marginally-used space which absorbs services without paying sufficient dividends in wages, taxes or services.

While equal emphasis deserves to be placed on both vacant land development and renewal of obsolete industrial districts, it does not necessarily follow that the Clinton Hill proposal is the most sensible

way to proceed. Before any rational decision could be made on this project, a study which provides estimates of space requirements for manufacturing, wholesaling, and other industrial activity would have to be prepared. Such estimates would have to be applied to the study of industrial conditions already completed by the Central Planning Board, and balanced against the inventory of vacant land, in the Meadowlands and elsewhere, which is available for industry. Finally, a plan for future industrial use would be required which would state how much residential land was needed for industry in the future - if any. But no such study exists. As the Central Planning Board report on industrial renewal states, "...no such analysis exists for the entire city of Newark."

To test the validity of the Clinton Hill proposal, therefore, a crude analysis of industrial land requirements has been made, and an equally crude comparison made with lands which are available or could be made available for industrial purposes. Based on this analysis, a general approach to industrial development has been prepared. As shown in the following pages, the Clinton Hill proposal is revealed to be a highly questionable venture.

Future Requirements for Industrial Space

The combined factors of outside competition, the continued losses in manufacturing, and the desirability of selectivity suggest a significantly lowered requirement for industrial land. On the side of increases in requirements, on the other hand, there are the factors of larger space per employee in modern plants, the growth of the distributive categories in industry, and the need for replacement area for industrial uses displaced by renewal. These are dealt with briefly below:

Modern plants use more space per employee than older ones. Most of this space goes into parking and loading facilities, but in some cases at least, the change from multi-story to single-story operation does increase land requirements. In Newark, the Central Planning Board estimates that some 450 acres of industrial use are obsolete and deteriorating, and will have to be renewed. Assuming a rough average of 75 workers per acre in these areas at present, approximately two and a half times as much space will be needed to replace those uses with new uses or locations involving the same number of industrial jobs. If Newark were successful in attracting enough industry to maintain the current number of industrial jobs, some 1,100 acres might be required for industrial reconstruction.

This is quite a generous assumption on several counts. First, it is rather doubtful that Newark will be able to reverse the long-term downward trend in manufacturing employment. Even keeping the current level would seem to pose many problems. Secondly, much of the industry about to be displaced would not necessarily require as much space per employee (30 employees per acre) as is recommended. Central Business District types of manufacturing, such as printing and apparel manufacture, are likely to continue to be high intensity uses in or adjacent to the downtown area, and will therefore require smaller amounts of land.

The growth of the distributive function in Newark, while significant, does not represent a major space need over that already proposed. The Port of New York Authority development at Port Newark thus far represents two-thirds of the square footage of new warehouse and storage facilities built during the past decade, and the imminent construction of another 600 acres at Port Newark will absorb the major demand for such space for the next generation. This will further cut the need for industrial space, and will reduce the future requirements for 1,100 acres significantly.

Finally, there is the subject of space needs for industry being displaced by renewal operations. Re:New Newark sets this figure at some 5.5 million square feet. Assuming 30 percent coverage and one-story operation, the maximum requirement for relocation purposes is approximately 400 acres.

Putting together the 1,100 acres needed to replace obsolete space with new modern plants employing the same number of people and the requirement of 400 acres for replacing existing plant space in urban renewal areas, a total maximum requirement for the future of some 1,500 acres of industrial land can be posited. This, again, is a generous allotment, a rather high percentage of liquidation among establishments displaced by renewal projects being the rule. Further, the reduction of manufacturing employment that has taken place during the past decade has not been accompanied by a reduction in the space given over to industrial use, giving a further amount of flexibility for increased employment should conditions warrant.

As opposed to the maximum future requirement of some 1500 acres of additional industrial land, the city has two major resources. In the Meadowlands are about 1,800 acres of vacant land that can be made suitable for industry. Most of this land needs soil stabilization, utilities and streets, and development planning. The second

source is 450 acres of obsolete and deteriorated industrial land that is fair game for renewal. Between these two sources, over 2250 acres of industrial land would seem to be available for industrial development in the future.

The existence of these sources of industrial land raises a significant question: Is it necessary to propose a development such as Clinton Hill which requires the displacement of 6,000 residential units? To focus the question still more sharply, it could be put as follows: Is it necessary to renew all existing industrial area for reuse by industry? Could not some of it be returned to housing or other use?

The implications of these questions are quite clear. From a rational point of view, it is not necessary to provide still more land for industry, especially where it can only be provided by displacing thousands of families. Under even the most desperate circumstances, it appears obvious that the development of the vacant Meadowlands should have a high priority over such displacement. If it should ultimately prove impossible to realize sufficient industrial growth without a development such as that proposed for Clinton Hill - even after vacant sources have been used - such a proposal might then be in order. But no such desperate situation exists.

Sites for New Industry

It seems obvious that vacant land sites should have priority for industrial development over those which might be created by renewal of obsolete industrial areas. They can be prepared more rapidly for development, they are cheaper to acquire, and they do not entail the premature displacement of industry or residents.

While the Central Planning Board acknowledges the validity of Meadowlands development for industrial purposes, it has assigned a rather low priority to this effort. As impediments to its rapid development, the report Re: New Newark gives reasons such as the absence (until recently) of long-range planning control, need for soil stabilization, piecemeal development and speculation, irregular lot sizes, diversified ownership, and inadequate public utilities and other facilities. These are impediments, of course, but they pose no particular difficulty for the city. Yet the enormous advantage of vacant land sites is not being utilized.

The Meadowlands area has already been divided into six segments for planning purposes, and the Newark Economic Development Committee has already prepared a pilot study for Section 3 bounded by the Central Railroad of New Jersey on the north, the New Jersey Turnpike on the east, the Lehigh Railroad on the south, and the Pennsylvania on the west. The city is shortly applying for public works and planning studies necessary to the development of this and other areas in the Meadowlands, but is going about the matter in a relatively desultory fashion.

The reluctance of the city and the business community to more actively pursue the use of the Meadowlands is difficult to understand. One piece of land owned by the Pennsylvania Railroad, for example, is 250 acres in size, and roughly similar in shape to the Clinton Hill site. It is completely vacant, has direct access to the N. J. Turnpike and other expressways, will be less expensive to prepare for use, and can probably be put into marketable condition in less than two years. It lies immediately north of the N. J. Turnpike Extension along Doremus Avenue.

If the proponents of an industrial park were really interested in speed of accomplishment, the Doremus Avenue site is the spot for it. Not only is it of suitable size, but it is in single ownership, it is vacant, it can be put into marketable condition in a relatively short time, and it will be less expensive land than Clinton Hill - even with a writedown. The only problem is obtaining cooperation from the Pennsylvania Railroad, and in the face of the current rail crisis, this should prove possible.

Industrial Development and the Railroads

Railroads throughout the country own enormous tracts of land in and near the cores of our cities. Because of their rights in perpetuity, they have successfully preempted lands which might better be used for other than industrial purposes, and have prevented even industrial development on their lands where the prospective user did not intend to rely on rail service for goods shipment. Newark is no exception to this general condition, and the railroads passing through the city operate their landholdings in traditional fashion.

While the railroads have finally begun to realize that they must learn to live with the trucking industry, this realization has not permeated the policies of its industrial development organizations. While the railroads have gone in for piggyback operations in a big way, the in-

dustrial development operation still emphasizes the rail user over the non-rail user of land. It is still impossible in many cities to obtain prime industrial land unless rail is guaranteed a certain amount of business.

Under these conditions, it has been difficult to work out plans for the development of large tracts of railroad land. Not only have these traditional policies limited the interest in railroad property, but the railroads themselves have played the industrial development game rather close to the vest. They work away on their own, rarely entering into joint development arrangements, and have preferred to organize and finance their own developments as necessary. In addition, railroad management is often so far flung that it is difficult to get close to the seat of decision, adding still more difficulties.

But the railroads are in critical condition, in the New York area and elsewhere. Already a series of discussions on mergers of the Pennsylvania with the Lehigh, the N. Y. Central, the Central of New Jersey and other lines have been pursued as a step toward cutting down on the duplication of facilities and reducing costs. The impending development of slurry pipelines for the transportation of coal will add significantly to their headaches - and prepare them to accept more reasonable use of their lands.

In addition to the hundreds of acres of vacant industrial land now owned by the railroads in Newark, these proposed mergers and the continued reduction of freight business, may result in release of hundreds of additional acres of land now in trackage. What the railroads must learn is the fact that most of this land will never be needed for rail-using industry in the future - that there simply will be an insufficient demand for it. They must recognize that a combination of truck and rail service - with the emphasis on trucking - will be the dominant mode of transportation in cities, and that the best use of their lands will be the encouragement of integrated and rational industrial districts - regardless of the percentage of freight that goes by rail. The more total industrial development any railroad can boast along its lines, the higher the percentage of rail freight it will receive.

If the Pennsylvania Railroad were to see this point, for example, with respect to its Doremus Avenue property, it would be possible to establish a first-class industrial district in that area without delay. And if the proposed merger between the Pennsylvania and

the Lehigh does come to pass, this site could possibly be enlarged by an additional 150 acres. There would be more than enough land in that one spot to accommodate all the industry likely to be attracted to Newark in the next ten or twenty years.

If the railroads do not see the point, the cities are in a position to force the issue. If necessary, legislation could be passed enabling the condemnation of vacant railroad lands, or heavier taxes could be levied on them. It should not be necessary to go to such extremes, however, for the railroads have proven flexible enough to meet the trucking challenge halfway, and should be able to go the rest. If the business community, the city fathers, and the railroads were to sit down around a table, they could surely come to a firm and mutually satisfactory agreement which would clear the way for an exciting and pioneering industrial development.

Replacement Needs

In addition to attracting new industry, Newark faces the problem of finding replacement sites for industries that will be displaced by renewal projects. At least in the near future, Clinton Hill will not make the best land resource for this purpose, essentially because of the time it will take to implement the project. In the beginning, therefore, a plan for the utilization of vacant land in a developing industrial area is a far better idea.

This is not to suggest that vacant land sites will satisfy all of Newark's industrial needs in the future. As the Central Planning Board states, there is a need for industrial renewal, there is a need for reshaping the central distributive and downtown industrial structure, and this indicates a need for several locations oriented more toward the central business district and the local market area than otherwise. For these reasons, the renewal and continued industrial use of the several industrial districts adjacent to the central area makes sense.

But Clinton Hill is not the only such area, nor is it sensible or practical to place the entire burden of industrial replacement upon it. There are at least half a dozen other areas of existing industrial use which would profit from renewal and would also help to provide for replacement needs of existing industry, in most of which industrial deterioration is more advanced.

The Central Planning Board has already designated such areas for

renewal in its report, Re:New Newark. One is the Ironbound area, a more deteriorated industrial section than Clinton Hill (shown in the map opposite). Twenty-five blocks covering approximately 62 acres would be involved, and some 670 families would have to be displaced if residence were eliminated. It is worth noting that more than twice as many families per acre would have to be moved from the Clinton Hill site.

A second site has been proposed between Orange Street and Central Avenue, west of Norfolk. A third area (not proposed in the report) is bounded by Broad Street, the Pennsylvania Railroad, E. Peddie Street, Elizabeth Avenue, and Ponier Street. This area is close to 100 acres in size, also has more industrial deterioration than Clinton Hill, and requires even smaller residential displacement.

The above areas are close to the city's core, and should be satisfactory replacement area for most of the downtown and distributive establishments displaced. Somewhat further removed from the downtown area are still other industrial areas into which larger establishments could also move. One site is bounded by U. S. 1, Wilson Avenue, Ball Street, and Delancey Street. This area could provide several attractive sites for industry. Another site can easily be found in the Passaic River district, where the deterioration is somewhat more advanced. And there are other possibilities.

In suggesting these sites, it is not intended to imply that full use of all of them is necessary for industry, or for that matter that any of them need to be expanded over their present size. In broad terms, industrial renewal should accomplish a certain amount of reorganization of land uses, and the replacement of outmoded facilities with more modern ones. It should also provide parking and loading areas, and perhaps even more importantly, provide a circulation system and a street pattern which permits trucks to move freely while minimizing their intrusion into residential neighborhoods.

PART III

CRITIQUE OF THE CLINTON HILL PROPOSAL

Up to this point in the report, we have dealt with the generalities of industrial development in Newark. It has been demonstrated that new jobs will not reduce unemployment significantly for the low-income and untrained groups, and in any event, such jobs do not have to be located in Newark itself. It has further been shown that new industrial development is far more likely to materialize on vacant land, and that a wider variety of sites and lower preparation time for them could be gotten in areas of the Meadowlands. Finally, it was shown that the need for replacement area for existing industries could more logically be divided among several areas, and that Clinton Hill could rationally be considered as only one of them.

It follows quite readily that only a small portion of the designated Clinton Hill area is really needed for industrial purposes. It is not generally recognized that the Clinton Hill site could hold all the manufacturing and warehouse space constructed in Newark during the past decade (leaving out Port Newark). Assuming 30 percent coverage and one-story construction, the Clinton Hill site could have absorbed all that construction - and still have 100 acres left for other uses.

Assuming further that it makes more sense to attract industry to vacant land in the Meadowlands, the question can legitimately be raised as to whether Clinton Hill should be used for predominantly industrial purposes at all. That the Central Planning Board entertains doubts is amply demonstrated in its report Re: New Newark. While the area is shown on the industrial renewal map as an industrial renewal project, 19 of the 74 blocks are shown for residential renewal in the detailed neighborhood improvement plans. In the Housing Authority and other city agencies, there is also a hesitation to press for industrial development of the total area. It is apparent that there is no overwhelming agreement on the necessity for 74 blocks of industrial area.

How then was the area selected and designated? And how do its prospects for development along the proposed lines look? Finally, in the light of all the facts available, in the light of the currently

apparent needs for the industrial use of Clinton Hill land, what seems to be the most rational development pattern for the future? These are the questions which we attempt to answer in this section.

Background of the Proposal

The original proposal for an industrial park in the Clinton Hill area was made as far back as 1958. The area bounded by Avon Avenue, Belmont Avenue, 17th Avenue, and Bergen Avenue was designated and preliminary study funds supplied for the project by the federal government. This site is the northern portion of the current enlarged site. It contains the worst housing, the largest concentration of junk yards and auto repair and second-hand equipment, and is in greatest need of renewal treatment. It also contains several large plants, principally General Electric's Newark Lamp Division and the Fischer Baking Company, both of which need space for expansion.

This combination of elements seemed to fit the idea of industrial renewal in the late 1950's. At the time the area was designated, industrial renewal was a new concept and was limited to areas whose existing use was predominantly residential or whose reuse was predominantly residential. It was for this reason that so much residential area was included in the project area, not because it represented the most rational use of the land. In all fairness, it should be said that city officials were nevertheless convinced that industrial use was not unreasonable to propose.

If not unreasonable, the original proposal at least turned out to be unmarketable. According to the reuse appraisal of the project area, industry would not pay the price it would cost to acquire and prepare the site. For a time, the proposal lay dormant while the interested parties sought to increase the attractiveness of the proposition.

Legislation providing for tax-abatement was finally enacted in the Urban Renewal Corporation Law of 1961. Also, in the intervening period, planning of the north-south freeway and the proposed connection with Route 78 came into the picture. These transportation elements also made the venture more attractive. In the meantime, the funds for the study of the original site north of Avon Avenue had been largely depleted. The expansion of the project area to include additional area along the north-south freeway south to the proposed connection with Route 78 was the natural consequence of these several factors. Not only would the area be larger, a desirable feature to the Belmont Renewal Corporation which had expressed interest in the proposal, but it made possible an application to the federal government for more funds for study and planning.

Thus a series of administrative rulings, legislative enactments, sponsor desires, and requirements for study money seem to be the real delineators of the Clinton Hill light industrial proposal, rather than any objective analysis.

Development Potentials for Clinton Hill

Proponents of the plan point to the existing railroad siding, the industries needing space for expansion, the deteriorated condition of the housing, the proposed north-south freeway and connection with Route 78 as attractive elements of the plan. Analysis of these elements reveals that few if any of these elements are without disadvantages as well as advantages for the proposal. In addition, the decision to proceed in 5 stages recognizes the inherent difficulties of developing the site, and adds its own limitation on an already heavy series of difficulties.

Much has been made of the existence of the Jeliff Avenue railroad spur. Railroad officials claim the line carries "an attractive" amount of freight. They claim that at least one train a day is scheduled for the Clinton Hill area to serve General Electric, Fischer and General Baking Companies, C. G. Winans, Hotpoint and the coal distributors among others. Daily service to industry on the spur is about 10 hours, with overtime and even weekend work not unusual. While they would not reveal specific details of freight traffic, the railroad representatives did their best to demonstrate the desirability of continuing the use of the spur.

As opposed to this testament to the spur's utility, there is the general condition of the spur which does not seem to be good; a considerable percentage of the trackage does not seem to be in use, and there are many grade crossings, most irritatingly on Clinton Avenue and Avon Avenue, two heavily traveled streets. In the Belmont Renewal Corporation proposal for industrial renewal, moreover, the spur is shown moved 100 feet East - into the Badger Avenue roadbed - essentially eliminating direct service to many of the industries it now supposedly serves as well as casting doubt on the serviceability and value of present facilities.

Among the companies needing room for expansion seem to be the Fischer Baking Company, General Electric Lamp Division, the four-story warehouse now used by Noble Distributing and I. Lehrhoff on West Belmont and West Runyon, and the Clark Door Company. In addition to room for expansion, those expressing concern with condi-

tions have stressed narrow streets and the general unattractiveness of the area. Expansion is generally needed for parking and loading facilities, though more building area is sometimes needed. Adding the probable total need for additional area for industries currently on the site (including facilities in areas where there is obvious congestion) totals no more than 20 acres.

In addition to existing industry, the Planning Board, Housing Authority, Newark Development Council, Pennsylvania Railroad and Labor Union staffs were all asked to reveal expressions of interest from industries interested in locating in the proposed development. It was made clear that specific plant names were not required, that an idea of the types of industry and their size would be helpful in establishing the feasibility of the project. Unless the investigation was completely misled by those involved and supporting the project, there has not yet been a clear expression of interest in locating in the Clinton Hill light industrial park on the part of a single industry from outside the Newark area. In fact, the Newark Development Council and others view the Belmont Renewal Corporation proposal primarily as a propaganda document to lure such expressions of interest. It bears repeating, moreover, that industry has never expressed interest even in the original project north of Avon Avenue - though it has been designated since 1958.

What little interest there has been in the Clinton Hill site has come from local firms, some of whom will be displaced for renewal projects, one or two of whom need more space. They are all small firms, the largest needing some 3 acres, the smallest needing a half acre of land. Many of these establishments are wholesale machinery firms; only one is clearly a manufacturing enterprise working on a government contract. If all these expressions of interest culminated in the provision of space, their total requirement would be less than 10 acres.

In all, therefore, there is as of now a clear need for no more than some 30 acres of additional industrial land. At the same time, there is good reason to liquidate or replace many of the existing industrial uses in the Clinton Hill area. Whether used for residential or light industrial park purposes, it is inevitable that the junk yards, the coal pockets, the second-hand auto establishments will be displaced. In all probability, the needs for more industrial space would be more than offset by these losses. This is not to suggest that more industrial space could not ultimately be used in the Clinton Hill area, but it does demonstrate the relatively limited nature of the demand for it.

In addition to the low demand for space, there is the question of the north-south freeway and its connection with Route 78. The routes are by no means settled, and once settled, the projects will still be subject to delay and further modification as the result of opposition to displacement and questions as to need. At the earliest, the north-south freeway is a good three years away; at worst, the proposal will have to be dropped. Until there is assurance that this freeway will be constructed, industrial planning and development of the area would be unduly inhibited.

As a final limitation on use of the Clinton Hill site for industry, there is the largely political decision to proceed in five stages. The first stage scheduled is from 17th Avenue (the northern boundary) to Waverly Avenue, a total of some 46 acres including interior streets. The Central Planning Board shows almost a third of this area (east of Jellicoff Avenue and Boyd Street) as continuing in residential and commercial use - largely because of the school, swimming pool and other recreational facilities on the site. General Electric and possibly Fischer Baking Co. will benefit from the redevelopment of the remainder, leaving something less than 25 acres for new industrial development. Obviously, there will be a very limited supply of sites available for new industry.

In sum, it is fair to state that the Clinton Hill light industrial project stacks up rather badly today. Not only are there few really important advantages to the site in terms of existing rail facilities and available sites, but there is little evident demand for space, associated improvements such as the north-south freeway are still uncertain, and the political realities surrounding the relocation problem have forced the project into an unmarketable mold.

The Belmont Renewal Corporation Proposal

Those who favor the project are encouraged and assured by the proposal of the Belmont Renewal Corporation (which includes the Crown and Fiest interests) for the acquisition of the area and its development as an industrial park. The general feeling is that since this group is willing to put up its own money to finance the project, they must have assurance that it will be successful. Unfortunately, this is an oversimplified conclusion.

The Belmont interests are undoubtedly aware of the complexities of the proposed undertaking, and the risks and uncertainties they face. In accordance with these risks, their current proposal is couched in the vaguest of terms, permitting them the widest possible latitude. In all likelihood, the city will have to impose considerable restrictions on the

proposal, any or all of which might result in the withdrawal of the sponsor.

Just how rigidly the five-stage development process will be adhered to, for example, might well condition sponsor interest. The sponsor will undoubtedly ask for the right to clear parts of the area as they can be marketed, rather than be tied down to clearing specific portions. If this is denied, as it should be, the sponsor may insist on escape clauses in the contract, permitting him to develop the land residentially, if industrial uses do not materialize within a reasonable time.

If the sponsor is granted his conditions, he will be in complete control of the Clinton Hill site. All present uses would be forced to negotiate with Belmont for the right to remain. Land would go to the highest bidder, and industrial uses as well as residential uses would be forced out to accommodate better-heeled industries. If industry was not attracted to the site, commercial and residential construction would be substituted. Under such circumstances the sponsor could not lose. Proponents of the plan are confusing the sponsor interest in turning a profit from this prime piece of written-down land, with an assurance that it will be developed industrially. At present there are no such assurances.

That the sponsor himself is not convinced of the desirability of total industrial use is already apparent in his proposed plan, which calls for the development of a commercial shopping center and office uses. This suggests a somewhat opportunistic orientation to the project, and it is not unreasonable to suppose that excessive difficulties in industrial development will be countered by strong pressure for a change from industrial to residential and commercial uses.

It is true that the city does not have to accept either the original proposal of the sponsor or any subsequent modification, but it is worth noting that once title passes to Belmont or any other sponsor, the city will no longer be in full control of the development of the site. Once the area is cleared, there will be great pressure to have it developed, if not industrially, then residentially or commercially. Once title is passed, furthermore, it will become difficult to control sponsor negotiations with existing uses.

For all these reasons, it is important that any industrial renewal project be fully studied. First, a study of feasibility for industrial purposes, based on an overall study of industrial requirements, should be undertaken. Second, a study of the potential demand for sites and space should be carried out, complete with plant engineering studies of establishments likely to be displaced from other renewal projects. Finally, a study of existing uses should be undertaken, and conclusions on the

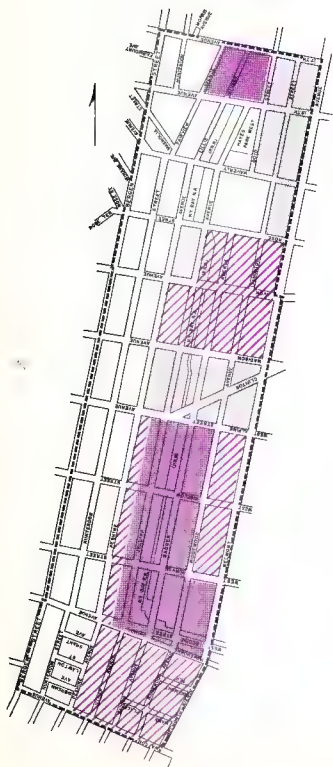
terms under which they would remain, reached.

Once such studies have been undertaken, a reasonably sound development could be proposed, and reasonable restrictions put on prospective sponsors. If the city were more sure of its ground, it would not hesitate to lay down a plan for development, reserve specific sites at agreed-on prices for existing industry, and incorporate penalty clauses for failure to develop according to the plan.

Without the studies and control devices suggested above, a Clinton Hill project - or any industrial renewal project - will be difficult to implement and difficult to justify. Since one group of occupants of the land is being displaced for another, the "public interest" which is to be served should be a specific interest, and not a general and vague one.

Thanks to the custom nature of the industrial renewal process, it is full of potholes and complexities that residential renewal rarely encounters. The current method of procedure, to prepare preliminary and final plans for industrial renewal at the same time, is a dangerous and inadequate one. Until the laws are changed, cities should proceed on their own with overall studies and preliminary project studies - before applying for federal funds.

INDUSTRIAL POTENTIAL IN CLINTON HILL



 DEFINITE POTENTIAL
FOR INDUSTRIAL USE

 MAXIMUM POTENTIAL
FOR INDUSTRIAL USE

 POTENTIAL FOR MIXED
COMMERCIAL-RESIDENTIAL USE

 RESIDENTIAL USE

PART IV

GRAPHIC ANALYSIS OF THE SITE

When the proposal is stripped of unworkable and impractical elements, a fresh look can be taken at the area in question. The potential for industrial use having been revealed to be only moderate at best, can be worked into a plan for the area without contemplating the whole or even the larger part for industry. In fact, as the previous analysis shows, it remains to be seen whether it would not make more sense to redevelop parts of the industrial area for residential, rather than industrial uses.

As presently constituted, the Clinton Hill area seems more suitable for continued residential use than for industrial use. Only one small industrial district of some 50 acres south of Clinton Avenue seems fully justified at present. A second possibility, north of Avon Avenue, must be further studied. By contrast, large segments should obviously remain in residential use, generally on a line west of the midpoint between Jelliff and Peshine Avenues.

Of the total area, perhaps a third will ultimately deserve development industrially, but final conclusions will have to await the overall study of needs and more serious study of the intentions and condition of the more substantial establishments north of Avon Avenue. Rehabilitation and partial clearance for residential use is indicated for the remainder.

Industrial Potential South of Clinton Avenue

South of Clinton Avenue to Hawthorne Avenue the industrial uses are in fair to good shape, are the predominant land use, and already possess the structure of an orderly industrial district. The line of demarcation to the west is clearly drawn at the mid-point between Jelliff and Peshine Avenues. At this mid-point, there is a difference in grade of approximately 6 to 14 feet running the length of the district from north to south. On the eastern border along Belmont Avenue, are two blocks of residential use as well as scattered residential use further west. It is this area, shown in the map on the following page, that would make the substantive core of a future industrial district.

Whether or not it makes sense to develop such a district will depend on whether the north-south Prince Street freeway is constructed. If that

artery is constructed as planned, then the district could quite naturally be formed to include all the enclosed area to Belmont Avenue. Whether the southern boundary should extend to Watson Avenue depends on whether Route 78 is built as planned. If it is, it might make sense to extend the boundary of the district south to meet the highway. If it is located elsewhere, there is no particular reason for the extension.

A further study of the western boundary of the district might also be desirable. Depending on the design potential for neutralizing the grade differential between Jeliff and Peshine Avenues, as well as the relative narrowness of lots west of the rail spur it may or may not prove feasible to move the boundary to the east side of Peshine Avenue itself. It should be borne in mind, however, that the grade differential now constitutes an effective buffer between the residential and industrial uses.

If such a district is developed, it would provide from 50 to 70 acres of industrial space. It would mean that existing firms would be able to get parking and loading space, that the extreme mixing of uses in much of the area would be eliminated, and that some new industry would be accommodated. The school on West Runyon between Ridgewood and Belmont would be converted to the industrial use for which it was designed.

Industrial Potential North of Clinton Avenue

North of Clinton Avenue, the case for continued industrial use is much less clear. Aside from General Electric's Lamp Division, the Fischer Baking Company and two or three smaller plants, nothing north of Clinton Avenue seems desirable for inclusion in a modern light industrial area. The many scrap yards, junk shops, auto wrecking and second-hand tire establishments and coal pockets would be unwelcome in any event, and should be relocated to less strategic locations of the city, buffered from residential or light industrial areas.

These uses currently surround the Felix Fuld public housing project, the Hayes Park West swimming pool and the 18th Avenue school, all of which are desirable residential and residentially-oriented uses. Once they are gone, it would make a good deal of sense to redevelop the surrounding area for residential purposes.

It must also be noted, however, that Belmont Avenue itself is a largely commercial street at present, and that it possesses not only retail

facilities including two theatres, but a few large wholesale establishments as well. In the Central Planning Board's plan for the area, a mixture of residential and commercial use is planned for the area north of Rose Street and east of Jeliff. This was a conscious attempt to maintain the residential quality of the area surrounding Felix Fuld houses and the swimming pool and school.

The continued use of the area West of Jeliff Avenue for residential purposes seems particularly desirable. This area is a very cohesive Negro neighborhood of long standing in the community. Though it is a poor neighborhood, and its housing is in pretty delapidated condition, there is obviously a climate of mutual accommodation which the people have acquired and nurtured in the past and which serves them in good stead today. This cohesion should not be disturbed by massive clearance, for it may bring untold social problems in its wake. Through a careful and gradual process of change, it should be possible to upgrade the area significantly and retain its cohesion and mutual accommodation features.

The desirability of maintaining the Jeliff Avenue rail spur past Clinton Avenue is also subject to serious question. Aside from the coal pockets which should be relocated, the only plant with direct rail access north of Clinton Avenue is the General Electric plant. Though this plant probably receives one or more carloads a day, it is questionable whether transshipment by truck from another siding, or original shipment by truck in the first place, would impose too great a burden on General Electric's operation. Such a determination could only be made by a qualified industrial plant engineer. Other users, such as the baking companies, are served only by team track, and must transship their flour and other supplies by truck to the plant, even now.

Considering all these factors, it becomes questionable whether an industrial district should be established in this area. In any event, the General Electric plant would be isolated from any industrial district reasonably established, leaving a rather small area bounded by Rose Street, Belmont Avenue, Madison Avenue and Jeliff Avenue. Commercial uses including shopping, wholesaling, business services, offices, and possibly some high-rise residential use, could be established between Clinton and Madison Avenues east of Jeliff Avenue, and between Jeliff and Peshine Avenues in the vicinity of existing industry and shopping between Madison Avenue and Rose Street.

Alternatively, the area north of Avon should be turned into predominantly residential use, retaining the few major establishments as scattered industrial uses, and giving them the needed land for expansion. It is also possible that plants such as the Fischer Baking Company

could more profitably be established in new quarters rather than expand present facilities, and plant engineering studies should be undertaken to find out. Until further studies of community design and plant engineering are conducted, it is not possible to make a final decision on an industrial district north of Avon.

Residential Rehabilitation and Clearance

On superficial inspection, the quality of housing in the Clinton Hill area ranges from very poor to good, the predominant quality being only fair. The area's generally disappointing appearance, however, is due in large measure to the dilapidated maintenance of the grounds around the houses, including such things as eroded soil, broken or bent retaining walls, poor foundation maintenance, broken sidewalks and similar items. Were it not for this general inadequacy, the area's rating would be somewhat higher.

In a similar way, there is a tendency to regard houses which are separated from each other by only three feet as obsolete--a conclusion that is at odds with the fact that row housing, where there is no space between the houses, is still considered perfectly adequate. Not so easily justified are the relatively large number of three- and four-story frame buildings used as multiple dwellings, nor the low percentage (14%) of homeowners in the area, especially since the maintenance standards of absentee landlords are visibly lower than those of owner-occupied buildings.

Outside maintenance is on the poor side, though a significant proportion is better maintained than that in similar areas. There is a stubborn attempt to keep up housing quality, and where money for repairs is not plentiful (as seems to be the case here), the houses can at least be painted - and many are. But the level of this maintenance is not sufficient, and it is likely that an area-wide program will be necessary.

It could easily take from \$500 on up per house to resod, repair concrete walks and retaining walls, and to make necessary porch and foundation repairs. Since this is a very expensive item, most owners will not make such repairs in an adequate manner - as much because of the prevalence of this condition throughout the area, as from lack of funds. It will, therefore, take a major improvement program throughout the area, including the use of "carrot and stick" techniques, to have these repairs made where appropriate. This means strict code enforcement, plus low-interest loans or tax abatement for such improvements.

While much of the area, particularly south of Clinton Avenue, can be rehabilitated rather than cleared, it would seem likely that roughly half

the area should ultimately be improved through clearance and rebuilding. Perhaps two-thirds of the residential area north of Clinton Avenue would ultimately have to be cleared, while south of Clinton Avenue only a third might require such drastic action.

As a general approach to renewal of the Clinton Hill area, the preparation of a development plan would seem to be indicated. First, decisions have to be made about the land use arrangement and the area to be set aside for industrial development delineated. Second, decisions must be made as to clearance sites, both in and out of the industrial area. Next, new housing, at rents site tenants could afford, could be built on land not presently being used for housing (or being sparsely used), to which people being displaced from industrial parts or from other clearance sites would be given the opportunity to move.

As this clearance activity was taking place, rehabilitation and code enforcement would be undertaken on the remainder of the area. Stringent enforcement of laws, backed by heavy fines and even jail sentences for recalcitrant landlords, must be a major part of the program. Enforcement can be effective if undertaken by a team of inspectors working under the supervision of skilled social workers and community organizers, whose job includes encouragement and aid to owners willing and anxious to upgrade the area.

Throughout this procedure, a gradual approach is indicated, and close liaison and cooperation between the city and the community is essential. If community disruption is avoided and if the community participates fully in the renewal process, it can then be relied upon to maintain the gains achieved by the renewal program.

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